

**TATA STEEL**



**General Conditions  
of Contract for the  
Hire of Plant  
With or Without  
an Operator**

**CC7**  
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## General Conditions of Contract for the Hire of Plant with or without an Operator

Conditions governing the hire of plant by Tata Steel UK Limited and/or any of its subsidiary companies.

### 1. Definition of Terms

1.1 **“The Hirer”** means Tata Steel UK Limited and its subsidiary companies and their respective successors and assigns.

**“The Contractor”** means the person, firm or company whose offer has been accepted by the Hirer and shall include any sub-contractor.

**“The Contract”** means the Agreement between the Hirer and the Contractor.

**“The Plant”** means all goods and/or services to be provided or used by the Contractor in carrying out the Contract or as are reasonably incidental thereto.

**“The Site”** means any land or premises occupied by the Hirer and any other place provided by the Hirer on, over or through which the Plant is to be operated.

1.2 In these conditions the masculine shall include the feminine and the singular shall include plural and vice versa unless the context otherwise requires.

Any reference to an Act of Parliament in these Conditions shall be a reference to that Act as it may be re-enacted or modified.

Clause headings and marginal notes are inserted for convenience only and shall not affect the construction and interpretation of these Conditions.

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### 2. Contractor’s Proper Performance of the Contract

2.1 The Contractor shall perform the Contract:-  
(a) in accordance with, and to the standards specified, in the Contract; and  
(b) to the reasonable satisfaction of the Hirer; and  
(c) so as to meet any criteria for performance specified in the Contract or guaranteed by the Contractor.

2.2 If no such standards and/or criteria have been expressly specified or guaranteed then without prejudice to the remainder of the preceding sub-clause, the Contractor shall perform the Contract to the Standard and so as to meet the criteria that are indicated by, or may reasonably be inferred from, the Contract taking into account any relevant circumstances known to the Contractor at the time the Contract was made.

2.3 Time shall be of the essence in the performance of the Contract.

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### 3. Hire Period

The hire period shall commence on delivery of operational Plant to the place specified by the Hirer and its acceptance by the Hirer and shall terminate, unless otherwise specified, upon the Hirer giving notice to the Contractor. The rate of hire charges specified

in the Contract shall not be altered without the prior written agreement of the Hirer.

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**4. Payment of Hire Charges** The Contractor shall not be entitled to any payment in respect of any item or items of Plant for any period during which either the item or items of Plant shall fail to meet the Contract requirements or use of the item or items of Plant is prevented by the non-availability of any other item of Plant to be provided by the Contractor in conjunction with which use is contemplated by the Hirer and of which notice is given to the Contractor. Where any payment is in respect of a number of items of Plant is undifferentiated it shall be apportioned between those items in such shares as is reasonable.

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**5. Payment** Unless otherwise specified in the Contract payment will be made on the 15<sup>th</sup> day of the second calendar month following the month in which the hire period is terminated provided that the invoice quotes the Hirer's purchase order number and reaches the Hirer by the 5<sup>th</sup> of the month following the month in which the hire period is terminated.

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**6. Recovery of Sums due from the Contractor** Any sum due from the Contractor to the Hirer in accordance with the Contract may be deducted by the Hirer from any sum due or becoming due to the Contractor under the Contract without prejudice to any other rights the Hirer may have.

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**7. Inspection and Notice of Dissatisfaction** Whenever the Plant is supplied with an operator the Hirer shall at all reasonable times be allowed to inspect any area or place in which the Contract is being performed. If, whilst the Contract is being performed the Hirer gives notice in writing to the Contractor that the Hirer is dissatisfied with the manner of execution of the Contract on account of the same being improperly or unsoundly performed or on account of the performance not being in strict accordance with the Contract then the Contractor shall immediately perform in accordance with the Contract.

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**8. Termination** Unless otherwise specified in the Contract the Hirer may terminate this Contract for any reason in whole or in part at any time by giving seven days notice to the Contractor. If the Contractor is terminated without notice or other than pursuant to the Contract the Hirer shall compensate the Contractor for any unavoidable costs resulting directly from the termination that the Contractor would not otherwise have incurred, but the Hirer shall incur no other liability whatsoever.

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**9. Site Conditions** 9.1 The Contractor shall be deemed to have informed and satisfied himself fully as to the nature and extent of the Site and of the work for which the Plant is required and therefore to have provided, unless expressly otherwise specified in the Contract, for all reasonably foreseeable eventualities in the hire charges.

- 9.2 The Contractor shall inform the Hirer and confirm in writing any circumstances where delay and/or disruption in the performance of the Contract may be expected due to restrictions imposed by the operation of the business of the Hirer in the vicinity of the area or place in which the Contract is to be performed.

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**10. Access to Site and Use of Facilities**

- 10.1 The Contractor shall have access (but not exclusive access) only to such parts of the Site as are reasonably necessary for the purpose of carrying out the Contract and to such other parts as the Hirer may from time to time authorise. The Contractor shall be responsible for ensuring that no other part of the Site is entered and that use is made only of such roads, routes and facilities and at such times as the Hirer may from time to time authorise.
- 10.2 The Contractor will at his own expense provide everything necessary for carrying out the Contract except as otherwise agreed in writing. However, the Contractor may, with the proper written consent of the Hirer, be permitted to use such supplies of electricity, water, gas and any other services as may from time to time be available from the Hirer but shall make reasonable payment therefore unless the Contract expressly provides otherwise. The Hirer will not be liable for loss or damage caused by variation, cessation or diminution in pressure or quantity or quality or by the interruption, withdrawal or failure of such services. The Contractor shall at his own expense provide any apparatus necessary for utilising such services and shall be responsible for any loss or damage to persons or property caused by his use of them.

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**11. Contractor's Workmen**

- 11.1 The Contractor shall in respect of all persons employed by him in the performance of the Contract pay rates of wages and observe hours and conditions of labour in accordance with either local or national agreement between the contractor(s) and the trade(s) union(s) which shall reflect the general level of wages, hours and conditions observed by other employers in the locality whose general circumstances in the trade or industry in which the Contractor is engaged are similar.
- 11.2 The Hirer shall be entitled if it so requires to have suitable certificates of competence from the Contractor for any person provided by the Contractor in the performance of the Contract.
- 11.3 The Contractor shall not without the consent of the Hirer or of the contractor concerned knowingly take into employment workmen or other employees from the Hirer or from any other contractors employed by the Hirer in providing a similar or comparable service.
- 11.4 The Hirer shall be at liberty to object to any representative or person provided by the Contractor in the performance of the Contract on the Site or in any other place who shall in the opinion of the Hirer misconduct himself or be incompetent or negligent. The Contractor shall remove that person from the Site and he shall not be employed again by the Contractor in connection with the Contract without the permission of the Hirer. Any removal of labour under this clause shall not constitute a valid reason for the

Contractor's failure to perform his obligation in accordance with the Contract.

- 11.5 The Contractor shall abide by the Hirer's site harmonisation procedures.

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**12. Operating Time**

- 12.1 If the Contract requires the Contractor to supply an operator with the Plant, he shall keep records of the periods during which the Plant was working or standing and shall make this information available to the Hirer.
- 12.2 For Plant supplied without an operator, the Hirer shall, subject to the provisions of Clause 19, use said Plant for the periods of time specified in the Contract.

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**13. Notification of Accidents**

All accidents involving any Plant and/or any operator shall be notified to the other by whichever party has first knowledge of any accident. This notification shall be confirmed in writing.

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**14. Things found on Site**

All minerals, metals, objects and other things found or discovered on, under or around the Site shall as between the Contractor and the Hirer be the property of the Hirer and shall be dealt with as the Hirer may direct.

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**15. Assignment and Sub-letting**

The Contractor shall not assign or sub-let the carrying out of the Contract nor any part thereof without the written approval of the Hirer. All the Contractor's subcontracts shall contain a provision prohibiting any further subcontracts without the written consent of the Hirer. Should the Contractor sub-let, he shall be held fully responsible in all respects for any part of the Contract carried out by the sub-contractor as if he himself were undertaking the same and he shall bind the sub-contractor to observe these conditions and any other conditions incorporated in the Contract so far as the same are applicable to the sub-contracted work.

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**16. Contractor's Default**

- 16.1 If the Contractor shall fail to execute the Contract with due diligence and expedition or shall refuse or neglect to comply with any reasonable order given to him in writing by the Hirer in connection with the Contract or shall contravene any provisions of the Contract, the Hirer may give notice to the Contractor to remedy the same and shall confirm this in writing.
- 16.2 Should the Contractor fail to comply with the notice referred to in Clause 16.1 within seven days from the date of its service, in the case of matters capable of being made good within that time or otherwise within such time as may be reasonably necessary for making good, then, without prejudice to any other right under the Contract the Hirer may at the Contractor's cost either:
- (a) employ others to or itself execute that part of the Contract which the Contractor shall have failed to execute; or

- (b) take the Contract in whole or in part out of the Contractor's hands and contract with any other person to complete the same.

16.3 The Hirer shall be entitled to retain any sum which may otherwise be due to the Contractor and to apply that sum towards the payment of the cost of carrying out any work referred to in Clause 16.2. If the cost of doing this work shall exceed the sum retained, the Contractor shall pay the excess forthwith to the Hirer.

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**17. Delivery in Good Order and Maintenance of Plant**

17.1 The Contractor shall give reasonable notice to the Hirer of the time and date of delivery of all Plant to Site. Delivery shall be made at a place, time and date acceptable to the Hirer.

17.2 The Contractor shall be responsible for the delivery, unloading, and where appropriate installation and dismantling, and reloading of the Plant at the Site.

17.3 All Plant shall be sited or deposited as directed by the Hirer but shall remain in the custody of the Contractor who shall be liable for the care, safety and storage thereof whenever an operator is provided.

17.4 The Contractor shall on completion of the Contract remove all Plant and leave the Site in a clean condition.

17.5 The Contractor shall cause regular and appropriate inspection and maintenance of the Plant to be carried out by competent persons and shall observe all statutory requirements relating thereto. No hire charges shall be payable in respect of the duration of such inspection or maintenance. Acceptable substitute plant shall be made available to the Hirer by the Contractor for any period during which the Plant is unavailable for use by the Hirer.

17.6 Where the Contractor provides an operator, the operator shall keep himself acquainted with the state and condition of the Plant and shall undertake a through inspection of the Plant at least once a week and shall also make himself familiar with the local and Site Regulations of the Hirer particularly (but without limitation) those relating to health, safety and hygiene, Site conditions and personnel requirements.

17.7 The Contractor shall at his own expense keep the Plant in good and substantial repair and suitable for use at all times and provide all lubricants and fuel (unless otherwise agreed in writing between the parties).

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**18. Failure to Deliver**

In the event of the Contractor failing to deliver the Plant or any part thereof in accordance with the Contract the Hirer may obtain substitute Plant from any other source and the Contractor shall reimburse any costs or expenses thereby incurred by the Hirer.

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## **19. Breakdown**

- 19.1 If the Plant at any time is unsafe or unsatisfactory, the Contractor shall immediately notify the Hirer and shall forthwith confirm such notification in writing to the Hirer.
  - 19.2 The Contractor shall immediately remedy any unsafe or unsatisfactory operation of the Plant or shall forthwith provide acceptable substitute Plant.
  - 19.3 If the Contractor fails to act as aforesaid the Hirer may hire from any other source substitute Plant for such period as may be reasonable.
  - 19.4 No hire charges shall be payable in respect of the duration of any period during which the Plant is unsafe or unsatisfactory.
  - 19.5 Where the Hirer hires substitute Plant pursuant to Clause 19.3 the Contractor shall reimburse the Hirer any costs or expenses thereby incurred by the Hirer due allowance being made for the hire charges that would have been payable under the Contract but for such unsafe or unsatisfactory operation.
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## **20. Withdrawal**

- 20.1 The Contractor shall remove the Plant concerned from the Site within three working days (or such other period as may be agreed) on any failure to remedy under Clause 19 or on the provision of substitute Plant or on termination of the hire period, whichever is the earliest.
  - 20.2 If the Contractor shall fail to remove such Plant as aforesaid the Hirer shall at the Contractor's expense and risk remove and dispose of the Plant in such manner as the Hirer sees fit and/or to charge storage therefor.
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## **21. Liability for Damage to Property and Injury to Persons**

- 21.1 The Hirer shall not be liable to the Contractor for any loss or damage to the Plant, other property or injury to persons which may be caused save to the extent that such loss, damage or injury is caused by the negligence of the Hirer, its servants or agents.
- 21.2 The Contractor shall indemnify the Hirer against all actions, losses, liabilities, damages, claims, costs, charges, demands and expenses that arise out of, relate to or are in connection with the loss of, or damage to, any property (including but not limited to property of the Hirer) or injury to, or death of, any person (including but not limited to any employee of the Hirer) and the execution of the Contract save to the proportionate extent that the same shall have arisen directly from the Hirer's negligence or wilful default..
- 21.3 Except in respect of personal injury or death or loss of, or damage to, property conferring on a person other than the Hirer a good cause of action against the Contractor and/or the Hirer, the liability of the Contractor under the indemnity provided under Clause 21.1 for any one act or omission shall not exceed (unless otherwise stipulated by the Hirer prior to the Contract being entered into) the hire charges as specified in the Hirer's purchase order or £10 million whichever is the greater.



21.3 The Contractor shall arrange and maintain, at its own cost, all necessary insurance on terms satisfactory to the Hirer. In particular insurance must be effected for:

- 21.3.1 Public liability for not less than £10 million for any one incident;
- 21.3.2 Product liability for not less than £10 million for any one incident;
- 21.3.3 Employers liability insurance for a minimum limit of £10 million.

The Contractor shall maintain that insurance in full force and effect until the Contract has been completed. Whenever the Hirer requests, the Contractor shall show the Hirer evidence of the insurance together with satisfactory evidence of payment of premiums. If any insurance is not effected or premiums not paid the Hirer may effect or pay the same and may deduct the cost of so doing from the hire charges..

21.4 The Contractor will insert appropriate conditions in his subcontracts reflecting the provisions of this Clause 21

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**22. Interference with other Operations and Rights**

The Contractor in performing the Contract shall ensure that there shall be no interference with the operations of the Hirer or of other contractors or with the use and enjoyment of any public rights or with any easement or property whether of the Hirer or not unless the Contract unavoidably so requires and then the Contractor shall ensure that any such unavoidable interference is as limited as possible.

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**23. Photographs, Advertisements and Notices**

The Contractor may not without the previous written consent of the Hirer take or permit to be taken or publish or consent to the publication of any photographs or written description of the Site or any part thereof or erect any advertisement or notice-board on the Site (except for those required by Law or by the Contract).

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**24. Statutory and other Regulations**

24.1 The Contractor shall in all matters arising in the performance of the Contract conform at his own expense with all Acts of Parliament and with all orders, regulations and by-laws made with statutory authority by Government Departments or by local or other authorities that shall be applicable to the Contract, but if by reason of the making after the date of the Contract of any Act, order, regulation or by-law the cost to the Contractor of the performance of the Contract shall be increased or reduced the hire charges shall be increased or decreased by the corresponding amount.

24.2 Whenever the Plant is supplied with an operator the Contractor and his sub-contractors shall conform at their own expense with any local and Site regulations of the Hirer particularly (but without limitation) those relating to health, safety and hygiene. Before beginning the Contract on the Site the Contractor shall sign a certificate provided by the Hirer certifying that the

Contractor has been made aware of the Hirer's local and Site regulations and that the Contractor will abide by them and will procure that his sub-contractors' employees and all other persons operating the Plant on his behalf abide by the same **provided always that** such certificate shall not be deemed to have conferred any authorisation to work which may be required under the Hirer's Health and Safety control procedures.

- 24.3 All current inspection reports or copies thereof on the Plant required under any statute or regulation shall be made available for the Hirer's inspection if required. All inspection reports provided under this Contract shall be returned to the Contractor at the end of this period.

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## **25. Safety**

The Contractor shall at all times adopt safe working practices and at the proper time supply and install within the original hire charges such guards and safety devices and supply all persons employed by him in the performance of the Contract with such safety clothing as may be necessary to comply with the provisions of all health and safety legislation (including the Factories Act, 1961, the Health and Safety at Work etc. Act, 1974, and any orders and regulations made under these).

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## **26. Statutory Payments**

The Contractor shall be responsible for collection, deduction (where appropriate) and payment to the responsible authority of all statutory payments (including National Insurance contributions and any Training Levy) in respect of all persons employed by or taken on or directed by the Contractor or by his sub-contractors in connection with the execution of the Contract. The Contractor shall indemnify the Hirer against all actions, claims, demands, costs, charges and expenses related to such statutory payments and suffered or incurred by the Hirer.

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## **27. Variation**

The Contractor shall not vary, add to or omit any part of the Contract except as directed in writing by the Hirer, but the Hirer shall have full power from time to time during the execution of the Contract by notice in writing to direct the Contractor to vary, add to or omit in any manner any part of the Contract, and the Contractor shall carry out those variations and be bound by these Conditions so far as applicable as though those variations were stated in the Contract.

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## **28. Code of Conduct**

It is a fundamental condition of the Contract and of the placing by the Hirer of the business incorporated in the Contract with the Contractor that the Contractor shall have complied and shall at all times and in every respect comply with the Code of Conduct of the Hirer as issued from time to time.

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## **29. Bankruptcy**

- (a) If the Contractor shall become bankrupt or insolvent or have a receiving order made against him or compound with his creditors or being a body corporate commence to be wound up, not being a member's voluntary winding up for the purpose of reconstruction or amalgamation, or carry on his

business under a receiver for the benefit of his creditors or any of them, the Hirer shall be at liberty either: to terminate the Contract forthwith by notice in writing to the Contractor or to the receiver or liquidator or to any person in whom the Contract may become vested and to act in the manner provided in Clause 16 (Contractor's Default) as if the execution of the Contract had been taken out of the Contractor's hands; or

- (b) to give such receiver, liquidator or other person the option of carrying out the Contract subject to his providing a guarantee from a guarantor acceptable to the Hirer for the due and faithful performance of the Contract up to an amount to be agreed.

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**30. Acceptance of Conditions**

The Contractor's acceptance of the Hirer's order to provide the Service includes acceptance of these Conditions and any applicable special conditions attached hereto and of the Hirer's local and Site Regulations which can only be varied with the written authority of the Hirer. No term or condition attached to, or incorporated in, the Contractor's tender or quotation, nor any standard or printed terms or conditions of the Contractor shall apply unless and to the extent that it is accepted in writing by the Hirer.

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**31. Law**

The Contract shall be governed by and construed in accordance with English Law and shall be subject to the jurisdiction of the English Courts.

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